

EXHIBIT E

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1

1 IN THE UNITED STATES DISTRICT COURT

2 FOR THE WESTERN DISTRICT OF PENNSYLVANIA

3 ERIE DIVISION

4 UNITED STATES OF AMERICA, ex rel.)
5 DILBAGH SINGH, M.D., PAUL KIRSCH,)
6 M.D., V. RAO NADELLA, M.D., and)
MARTIN JACOBS, M.D.,)

7 Relators,)

8 vs.)

Civil Action
No. 04-186E

9 BRADFORD REGIONAL MEDICAL CENTER,)
10 V&S MEDICAL ASSOCIATES, LLC,)
PETER VACCARO, M.D., KAMRAN SALEH,)
11 M.D., and DOES I through XX,)

12 Defendants.)

13 DEPOSITION OF V. RAO NADELLA, M.D.

14 MONDAY, AUGUST 20, 2007

15 Deposition of V. RAO NADELLA, M.D., called as a
16 witness by the Defendant Bradford Regional Medical
17 Center, taken pursuant to Notice of Deposition and the
18 Federal Rules of Civil Procedure, by and before Joy A.
19 Hartman, a Court Reporter and Notary Public in and for
20 the Commonwealth of Pennsylvania, at the offices of
21 Stone Law Firm, 1400 Allegheny Building, Pittsburgh,
22 Pennsylvania, commencing at 10:03 a.m. on the day and
23 date above set forth.

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(412) 765-0744

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1 questions about it.

2 A. Okay.

3 Q. Doctor, this paragraph 11 of the Complaint
4 refers to a statement of material evidence that you
5 and the other Relators filed with the Government
6 around the time you filed the Complaint. Have you
7 ever seen this statement of material evidence?

8 MR. STONE: I'm going to object to any
9 questions with regard to the disclosure
10 statement itself. Again, I have no objection
11 to your asking questions about the factual
12 basis for the complaint, and I think that that
13 is what the intent of your questioning is.

14 But to the extent that you are asking
15 specifically about the disclosure statement, we
16 believe that that is a privileged document, and
17 a privileged communication with the Federal
18 Government, and that the Defendants are not
19 entitled to that under the terms of the Judge's
20 previous order.

21 MR. MULHOLLAND: Well, my recollection of
22 the Judge's previous order on this matter -- it
23 was a different order than the one you had

1 introduced as an exhibit at this deposition --
2 were that the Defendants could ask the Relators
3 information regarding factual statements that
4 may have appeared in that statement of material
5 evidence prior to the Judge making a decision
6 as to whether he would allow us to have a copy
7 of that statement or portions of that
8 statement.

9 That is the question that I am asking
10 today, as to, you know, his recollection, if he
11 has seen the statement.

12 If he hasn't seen the statement, then that
13 answers that question. If he has seen the
14 statement and can recall facts that were
15 alleged in the statement, I think I have the
16 right to ask him that. If he says no, then we
17 will go back to the Judge.

18 MR. STONE: I don't think you have a right
19 to know what is in the statement. I think you
20 do have a right to know the factual basis for
21 the Complaint and the facts that underlie the
22 case.

23 So you can ask him questions about the

1 facts of the case, but I don't think that you
2 have the right to inquire about the content of
3 the disclosure statement.

4 MR. MULHOLLAND: Well, I certainly could
5 ask him whether he has seen the disclosure
6 statement. That is not asking about the
7 contents.

8 If he says no to that, then I don't have
9 much more to ask him. If he has seen the
10 disclosure statement, then I think that I can
11 ask him the factual information that was
12 subject to disclosure to the Government.

13 MR. STONE: Well, that is the facts of the
14 case, and I think you can ask him the facts of
15 the case.

16 I don't think you can ask him about the
17 communication to the Government.

18 MR. MULHOLLAND: The reading -- and Mr.
19 Rychcik was just kind enough to give me a copy
20 of the Judge's order, and it was Document 69
21 filed in this case.

22 The Judge says that, "BRMC will certainly
23 have the opportunity to ask the Relators

1 directly about the factual information that was
2 the subject of the disclosure to the United
3 States."

4 I think that that puts the general factual
5 background about the case into the context of
6 what might have been disclosed to the
7 Government. Again, not work product, but
8 facts.

9 MR. STONE: No. My point is that the
10 factual basis for the case is something that
11 you have right to question him about.

12 What you don't have a right to question
13 him about is the disclosure to the Government;
14 and I don't see any need why at this point in
15 time you can't just ask him about the facts of
16 the case, and why it is necessary to ask him
17 specifically about the disclosure to the
18 Government.

19 MR. MULHOLLAND: That is not how I read
20 the Judge's order. I read it the same. We can
21 ask for factual information that may have been
22 in the disclosure statement, and if we can't
23 get it on deposition, we can then ask the Court

1 again for the ability to see the disclosure
2 statement.

3 MR. RYCHCIK: Again, the next sentence
4 goes on to say, "Until the depositions are
5 taken and other factual discovery is completed,
6 BRMC cannot show that they cannot obtain a
7 substantial equivalent of the disclosure
8 statement without undue hardship."

9 I mean, the Judge is contemplating that
10 the factual information contained in the
11 disclosure statement, and this is the subject
12 of the disclosure to the United States, is
13 something that is relevant for counsel to ask
14 about it.

15 MR. STONE: Let me take a look at that.

16 Referring, specifically, to the Judge's
17 opinion, I don't think it says that the factual
18 information that was contained in the
19 disclosure statement.

20 It merely says, "The factual information
21 that was the subject of the disclosure to the
22 United States," which, again, is the facts
23 underlying the case.

1 Your questioning today is regarding the
2 facts underlying the case, and I don't have a
3 problem with your asking about any of the facts
4 in the case, any of the allegations in the
5 Complaint.

6 The problem I have is where you are asking
7 specifically of this witness questions about
8 the disclosure to the Government; and that, I
9 think, is not contemplated by this Order.

10 I am going to instruct the witness not to
11 answer any questions with regard to communica-
12 tions with the Government, and, specifically,
13 the disclosure statement.

14 MR. MULHOLLAND: Well, we would certainly
15 take issue with that; and if you would please
16 mark this portion of the record, as well.

17 MR. RYCHCIK: Again, like I said, in the
18 next sentence is the issue, and that is the one
19 you didn't focus on, Mr. Stone; and that is the
20 fact that the Judge contemplated the parties
21 being able to obtain the substantial equivalent
22 of the disclosure statement.

23 MR. STONE: And my response to that is by

1 being able to ask factual questions with regard
2 to the allegations in the Complaint and the
3 facts underlying the Complaint, I think that is
4 the substantial equivalent that the Judge is
5 referring to, and so I don't see any need at
6 this point in time -- if you can ask all the
7 questions you want about the Complaint and the
8 facts underlying the Complaint, I don't see any
9 reason for you to be able to inquire about the
10 communications with the Government.

11 (Question certified for later discussion.)

12 **BY MR. MULHOLLAND:**

13 Q. Subject to that objection and our exception to
14 the objection, let me ask you a different question
15 straight from the Judge's order: Dr. Nadella, do you
16 recall the factual information that was the subject of
17 the disclosure to the United States?

18 A. Can you clarify? I'm not understanding your
19 question, you know.

20 Q. The Judge said that we are allowed about the
21 factual information that was the subject of your
22 disclosure to the United States Government.

23 A. Okay.

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1 Q. My question is: Do you recall what that
2 factual information was, which was the subject of your
3 disclosure to the Government?

4 A. Okay. Right. As I understand -- you know, I
5 still didn't understand the question that well, but
6 I'm going to answer, and if my answer is not correct,
7 you ask me again.

8 The way I understand that is is that the
9 agreement that they had, that V&S had with BRMC was
10 part of the factual disclosure, and that was the
11 center of the, you know, the allegation.

12 Q. Was the agreement that you just referred to the
13 same written agreement which is attached to your
14 Complaint?

15 A. Yes, sir.

16 Q. So you are saying you gave a copy of that
17 written agreement to the Government?

18 MR. STONE: Again, I'm going to object to
19 communications that he had with the Government.
20 If you want to ask him whether that was the
21 factual basis for the Complaint, I think you
22 can ask that.

23 MR. MULHOLLAND: I think I can ask him if

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1 he disclosed to the Government, but let me ask
2 that second question, then.

3 (Question certified for later discussion.)

4 Q. Doctor, was the actual agreement that you
5 attached to the Complaint part of the subject of the
6 factual information?

7 A. Yes. Yes.

8 Q. Now, again, I'm going to ask you these
9 questions. I anticipate your attorney may object, but
10 I want to get them on the record for future use, as
11 needed.

12 A. Okay.

13 Q. Doctor, did you ever speak or meet with Special
14 Agent Connie Murray from the Office of Inspector
15 General?

16 MR. STONE: I'm going to object to the
17 question.

18 MR. MULHOLLAND: Are you instructing him
19 not to answer?

20 MR. STONE: I'm instructing him not to
21 answer.

22 MR. MULHOLLAND: Again, any time where the
23 Relators' attorney is instructing his clients

1 not to answer, I would ask that you mark that
2 for future reference.

3 (Question certified for later discussion.)

4 Q. Did any of the other Relators ever tell you
5 that they spoke to any Government agents or attorneys
6 about the facts alleged in the Complaint, outside the
7 presence of your counsel?

8 MR. STONE: I'm going to object to any
9 communications with regard to the Government,
10 and I'm going to instruct the witness not to
11 answer.

12 (Question certified for later discussion.)

13 Q. Doctor, if you could turn to paragraph 83 in
14 the complaint --

15 A. Which page, please?

16 Q. It is on page 21.

17 A. 21, okay.

18 Q. Let me know when you are ready to answer a
19 couple of questions about it.

20 A. Okay. Yes.

21 Q. Doctor, here you say that BRMC has no actual
22 need for the leased property. Is the leased property
23 you are referring to in this paragraph the same

1 A. Yes.

2 Q. Correct?

3 A. I do know that the lease was in effect, but the
4 lease talked about the GE camera.

5 Q. I see.

6 A. The GE camera, we know, was never at the BRMC
7 location, so we presumed that the lease ended there,
8 and the camera that was placed at BRMC, I presumed all
9 along, was a lease owned by BRMC.

10 Q. When did you first receive a copy of the lease,
11 the one that you said was put in your mailbox?

12 A. I think around it was around November of 2003.

13 Q. So from that point on, from November of 2003
14 on, did you have any occasion to refer patients to the
15 hospital for diagnostic nuclear cardiology tests?

16 A. Yes.

17 Q. Again, in your interrogatory answers, you
18 mentioned that you had an investment interest in the
19 Tri-County Diagnostic facility, correct?

20 A. Yes.

21 MR. STONE: I will object to any questions
22 relating to his investment interest as being
23 the subject of Judge Cohill's prior order and

1 not relevant to this case, and I'm going to
2 direct him not to answer any questions about
3 that.

4 MR. MULHOLLAND: I am just asking a
5 question to confirm that, in fact, that was his
6 answer, and I believe that it was, to his
7 interrogatories, that he had an investment
8 interest. I haven't asked any questions yet
9 about the nature of that interest.

10 I think it is already established for the
11 record that he had an interest.

12 MR. STONE: The answers to the interroga-
13 tories, part of the answers to interrogatories
14 and those were provided, and those are
15 verified, and I don't think there is any need
16 to question any further about any those.

17 MR. RYCHCIK: Judge Cohill didn't indicate
18 in his order that any reference to Tri-County
19 was off limits.

20 What Judge Cohill ruled was providing any
21 further information about the particulars of
22 the financial relationship was something that
23 wasn't relevant. That was specifically in

1 response to the Motion to Compel.

2 Now, we already have on the record the
3 fact that there is a financial relationship,
4 and for purposes of asking questions, we can
5 reference the financial relationship, as long
6 as we don't delve into additional particulars.

7 MR. STONE: My problem is that Judge
8 Cohill recognized, in his decision, questioning
9 the Relators about their own financial
10 relationships and their own practices was
11 nothing more than harassment of the Relators
12 for bringing this lawsuit.

13 Unless you can articulate some basis for
14 why it is relevant to the relationship that V&S
15 has with BRMC, I don't see that there is any
16 reason for us to go any further with regard to
17 any investment interest that these doctors have
18 with anybody.

19 MR. RYCHCIK: Certainly, their referral
20 practices are relevant when they are making
21 allegations regarding the fact that referral
22 numbers increased over a period of time.
23 Issues relating to the referral practices and

1 the referral decisions are certainly relevant.
2 If they are going to make allegations that
3 referrals are being done in some fashion that
4 is based upon an agreement, understanding the
5 context in which referral decisions are being
6 made is something that is clearly relevant.
7 This isn't --

8 MR. MULHOLLAND: Let me just --

9 MR. STONE: How Dr. Nadella refers his
10 patients is not relevant to how Dr. Vaccaro or
11 Dr. Saleh refer their patients.

12 MR. RYCHCIK: It is if there is an
13 implied -- if there is an implication that is
14 being made that merely changes in referral
15 numbers support an agreement to referral.

16 MR. STONE: That is not what is being made
17 here. I mean, the Complaint speaks for itself.

18 MR. MULHOLLAND: And it does.

19 MR. STONE: This isn't simply about
20 numbers going up and down. This is about a
21 sham agreement, and that is a part of the
22 record, and that is a part of the Complaint,
23 and that has been a part of the testimony so

1 far.

2 That has nothing do with Dr. Nadella's
3 referrals or business relationships, and I'm
4 going to instruct him not to answer any
5 questions with regard to his arrangements with
6 any other entity other than BRMC.

7 I have allowed him to answer questions
8 related to BRMC, although I'm not convinced
9 that those issues are relevant to the case,
10 either, but I have allowed some latitude,
11 because it is the context, and I think that is
12 what you are arguing is that you have some
13 ability to get into the context, but we have
14 done that; and I don't see any questioning
15 about Dr. Nadella's relationship with some
16 other entity that would have any relevance to
17 this case.

18 MR. MULHOLLAND: Let me just give you two
19 other reasons, which hopefully will change your
20 mind. If not, we will take it up with the
21 Judge.

22 No. 1, last week when you deposed Dr.
23 Saleh and Dr. Vaccaro, you asked them fairly

1 extensive questions about their referral
2 patterns and their criteria that they used to
3 determine where people would go.

4 I think I have the right to ask that to
5 Dr. Nadella and the other Relators to determine
6 the extent to which the testimony given by Dr.
7 Saleh and Dr. Vaccaro is typical of physicians
8 in their position or not.

9 The second reason is that to the extent
10 that the Relators have alleged, which they have
11 because Dr. Nadella talked about that earlier
12 this morning, that there was no need for the
13 additional camera, I think I have a right to
14 ask what kind of camera and what kind of
15 facilities Tri-County has, regardless of
16 whether he has an investment interest or not,
17 in terms of nuclear cardiology, and the extent
18 to which he and any other doctors refer to
19 Tri-County separate and apart from any
20 restriction in Judge Cohill's order about our
21 ability to ask about the nature of the
22 relationship he has with Tri-County.

23 MR. STONE: I think it is your right. You

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1 can ask questions about other facilities that
2 might have this same service, but I don't think
3 you have any right to ask Dr. Nadella about any
4 relationship that he has with that facility or
5 any other facility.

6 MR. MULHOLLAND: And we think we do, and I
7 think we can take that up with the Judge at an
8 appropriate time; but let me continue with this
9 line of questioning regarding the other
10 facilities --

11 MR. STONE: Go ahead and ask the
12 questions.

13 MR. MULHOLLAND: -- and his referrals to
14 them, separate and apart from any financial
15 relationship he may have, reserving the right,
16 of course, to follow up with the Judge about
17 asking about those relationships.

18 MR. STONE: Okay.

19 Q. Doctor, you are familiar with the Tri-County
20 Diagnostic in Bradford, are you not?

21 A. Yes.

22 Q. Do you refer patients there?

23 MR. STONE: I'm going to object to any

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1 other questions about his relationship with
2 Tri-County or with any other facility to the
3 extent it has nothing to do with Drs. Vaccaro
4 and Saleh and their relationship to BRMC.

5 MR. RYCHCIK: You know, you can't expect,
6 Andy, that these gentlemen can come forward in
7 a qui tam action and make allegations asserted
8 at my clients regarding referral practices and
9 make implications regarding those referral
10 practices and have them sit here and somehow
11 because this is a qui tam action, that they are
12 allowed to make allegations, but they are not
13 required to give some context to the basis for
14 these allegations that they are making.

15 Now, Mr. Mulholland did not ask a question
16 about the relationship that Dr. Nadella had
17 with Tri-County. He asked a simple question
18 about whether or not he refers patients to
19 Tri-County, which is a completely relevant
20 question for purposes of this litigation.

21 MR. STONE: It has no relevance, because
22 it has nothing to do with Dr. Vaccaro's and Dr.
23 Saleh's referrals.

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1 MR. RYCHCIK: It does if it lays a
2 foundation.

3 MR. STONE: This case is about the
4 financial relationship between Dr. Vaccaro and
5 Dr. Saleh and BRMC, and that is the extent of
6 what this case is about --

7 MR. RYCHCIK: And, quite frankly --

8 MR. STONE: -- whether that is illegal and
9 whether the hospital can bill for referrals as
10 a result from that.

11 MR. RYCHCIK: And, quite frankly, it is
12 also about these gentlemen bringing litigation
13 against the hospital and against my clients,
14 filing litigation.

15 We are entitled to understand the
16 rationale behind their motivations, the facts
17 that they had when they brought the litigation
18 and what was motivating them, quite frankly.
19 Because if it turns out that this lawsuit was a
20 frivolous action, if it turns out that they had
21 improper motives, that there is an abuse of
22 process, if they alternate reasons for doing
23 this, we are entitled to determine if we have

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1 claims against these individuals. So we are
2 allowed to explore these types of issues.

3 This is a discovery deposition. You are
4 taking a ruling in a Motion to Compel where
5 Judge Cohill ruled that the hospital, BRMC, was
6 not entitled to certain information, and you
7 are trying to stretch it to prevent us from
8 taking a discovery deposition here, which is
9 what we are trying to do, and we are entitled
10 to ask questions about relevant information and
11 information that may lead to discoverable
12 information.

13 You cannot use this opinion and sit here
14 and take it and take it into directions that it
15 clearly does not state and instruct a witness
16 not to answer. I mean, we can go through this
17 exercise, but we will be calling him back, and
18 we will be going through these issues after a
19 ruling from the Judge.

20 MR. MULHOLLAND: Does your objection still
21 stand to the question I asked?

22 MR. STONE: The objection is -- what is
23 the question that is on the table?

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1 (Previous question read back.)

2 MR. STONE: My objection still stands, and
3 actually, we should take a break at this point,
4 and then we can get back to this.

5 MR. MULHOLLAND: Do you mean, do you want
6 to take a lunch break?

7 MR. STONE: Yeah.

8 MR. MULHOLLAND: Okay. Afterwards, what I
9 propose to do is just get my questions about
10 that on the record, subject to whatever
11 objection you want to interpose; and then, you
12 know, we will see about taking it up with the
13 Judge.

14 What do you want for lunch?

15 MR. STONE: An hour.

16 MR. MULHOLLAND: An hour is fine.

17 (Discussion off the record.)

18 (Recess for lunch taken at 12:10 p.m., and
19 testimony resumed at 1:20 p.m. this date.)

20 - - -

21 MR. STONE: At this point in time, we have
22 designated a couple of areas of questioning
23 that we felt were objectionable, and I directed

1 other matter with which you intend to withdraw
2 your instruction not to answer?

3 MR. STONE: No. Actually, with regard to
4 the other areas, we are going to insist that if
5 you want to pursue them, that we take it up
6 with the Judge based on the prior order that
7 the Judge had issued with regard to the
8 Defendants' prior Motion to Compel.

9 MR. MULHOLLAND: For the record, I'm going
10 to ask some questions, additional questions
11 along the lines of what you had objected to
12 before and instructed him not to answer.

13 If you want to just interpose an
14 objection, unless you state otherwise, I will
15 assume at this point you are telling him not to
16 answer if that is okay, or just say, "Instruct
17 not to answer."

18 MR. STONE: I will just instruct him at
19 the time.

20 MR. MULHOLLAND: Fine.

21 Q. Are you familiar with the nuclear cardiology
22 testing equipment owned by Tri-County Diagnostics?

23 MR. STONE: I will object and instruct him

1 not to answer.

2 (Question certified for later discussion.)

3 Q. Do you have occasion to refer patients for
4 nuclear cardiology tests to Tri-County Diagnostics?

5 MR. STONE: I'm going to object and
6 instruct him not to answer.

7 (Question certified for later discussion.)

8 Q. If you are familiar with any diagnostic
9 equipment and nuclear cardiology presently operated by
10 Tri-County Diagnostics, what kind of equipment is it?

11 MR. STONE: Again, I'll object and
12 instruct him not to answer.

13 (Question certified for later discussion.)

14 Q. How many nuclear cameras does Tri-County have
15 in operation at the present time?

16 MR. STONE: I'll object and instruct him
17 not to answer.

18 (Question certified for later discussion.)

19 Q. Besides Tri-County and Bradford Regional
20 Medical Center and Olean Medical Center, where else do
21 you refer patients for nuclear cardiology tests?

22 MR. STONE: I'll object and instruct him
23 not to answer.

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1 (Question certified for later discussion.)

2 Q. What percentage of your patients who require
3 nuclear cardiology tests are referred to Bradford
4 Regional Medical Center?

5 MR. STONE: I'll object and instruct him
6 not to answer.

7 (Question certified for later discussion.)

8 Q. The same question with respect to Tri-County.
9 What percentage of tests for patients needing nuclear
10 cardiology studies are referred to Tri-County?

11 MR. STONE: I'll object and instruct him
12 not to answer.

13 (Question certified for later discussion.)

14 Q. Before you invested in Tri-County, did you
15 refer most of your patients who needed nuclear
16 cardiology tests to Bradford Regional Medical Center?

17 MR. STONE: I'll object and instruct him
18 not to answer.

19 (Question certified for later discussion.)

20 Q. When there was a nuclear camera -- I think I
21 asked that, but I will ask it again, just in case.

22 When there was a nuclear camera in the offices
23 of V&s Medical Associates, did you ever refer patients

1 to V&S for nuclear cardiology tests?

2 MR. STONE: Again, I will object, and
3 instruct him not to answer.

4 (Question certified for later discussion.)

5 Q. Do you believe that Tri-County addresses an
6 unmet need for nuclear cardiology tests in Bradford
7 that would not otherwise be met if Tri-County did not
8 offer nuclear cardiology testing?

9 MR. STONE: I'll object and instruct him
10 not to answer.

11 (Question certified for later discussion.)

12 Q. Given the fact that Tri-County operates a
13 nuclear camera and Bradford Regional Medical Center
14 does the same, would you consider Tri-County to be in
15 competition with Bradford Regional Medical Center?

16 A. I couldn't say. Both of them provide services,
17 similar services, so you could call it competition or
18 you can call both of them providing similar services.

19 Q. Given that you have an investment interest in
20 Tri-County, would you then consider yourself to be in
21 competition with Bradford Regional Medical Center
22 since you both offer similar services?

23 MR. STONE: I will object and instruct him

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1 not to answer.

2 (Question certified for later discussion.)

3 Q. Are you subject to any agreement not to compete
4 with Tri-County or the investors in Tri-County?

5 MR. STONE: I'm going to object and
6 instruct him not to answer.

7 (Question certified for later discussion.)

8 Q. If the answer to that question were yes, what
9 consideration, if any, did Tri-County give you in
10 return for the noncompete agreement?

11 MR. STONE: I'll object and instruct him
12 not to answer.

13 (Question certified for later discussion.)

14 Q. Again, if the answer regarding non-competes
15 with Tri-County was yes, by virtue of that noncompete
16 agreement, are you prohibited from referring patients
17 who need nuclear cardiology tests anywhere other than
18 Tri-County?

19 MR. STONE: I'll object and instruct him
20 not to answer.

21 (Question certified for later discussion.)

22 Q. Do you have any present plans to offer nuclear
23 cardiology or other imaging services in your office or

1 in an office in Olean, New York?

2 MR. STONE: I'll object and instruct him
3 not to answer.

4 (Question certified for later discussion.)

5 Q. If the answer to the previous question was yes,
6 are Drs. Kirsch and/or Horsley involved in this
7 venture?

8 MR. STONE: I'll object and instruct him
9 not to answer.

10 (Question certified for later discussion.)

11 Q. Do you recall discussions with Bradford
12 Regional Medical Center during the time period 2002
13 and 2003 regarding a proposed joint venture between
14 the Medical Center and members of its medical staff to
15 offer imaging services under what has been termed an
16 under arrangements model?

17 MR. STONE: I'll object and instruct him
18 not to answer.

19 MR. MULHOLLAND: Let me just ask you for a
20 clarification on that, Andy, because I don't
21 think that this would be subject to the same
22 kind of rationale that you are advancing to the
23 other objections.

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1 V&S Medical Associates and BRMC?

2 A. Well, you know, it is, like you said earlier,
3 do we have any competition with V&S? You know, we
4 have an office, and they have an office. We are both
5 in the same block, and even though we both provide
6 services, we provide similar services, I looked at it
7 as V&S, the hospital has taken sides in supporting one
8 group of physicians against another group of
9 physicians, and putting us at a complete disadvantage.

10 At the time when this arrangement took place
11 between BRMC and V&S, we are a three-group physician,
12 and they are a two-group physician. As a result, they
13 become economically more stronger, the hospital, in a
14 certain amount, and we become economically more
15 weaker, and as a result, we lost a physician to whom
16 we are unable to pay acceptable salary, and he ended
17 up relocating to another place. So from a three-
18 physician group, we shrunk into a two-physician group,
19 so I believe we have been damaged.

20 Q. Was that other physician Dr. Aziz?

21 A. Yes.

22 Q. Given you felt that the V&S/BRMC equipment
23 lease put you at a competitive disadvantage, did you

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1 try to address or balance out that competitive
2 disadvantage by investing in Tri-County?

3 A. That was not the --

4 MR. STONE: I'm going to object to that
5 question to the extent that it is contrary to
6 Judge Cohill's prior order, and I am going to
7 instruct him not to answer.

8 (Question certified for later discussion.)

9 Q. Dr. Nadella, did Singh & Nadella previously
10 lease office space to BRMC in its offices on North
11 Center Street in Bradford?

12 A. Yes.

13 MR. STONE: Again, I am going to object to
14 any questions along this line to the extent it
15 involves business relationships of Dr. Nadella
16 and/or Dr. Singh that are not relevant to the
17 case.

18 MR. MULHOLLAND: Again, you know, I think
19 this is of a different nature than the other
20 questions I was asking, because it also would
21 go to their motive in filing the suit to the
22 extent that they have any dispute relative to
23 that lease that was in effect, and that was my

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1 case, which is a lease agreement between V&S
2 and BRMC.

3 Unless you can demonstrate to the Court
4 that somehow these relationships would either
5 make the V&S relationship legal or provide some
6 other kind of defense, I don't see how it is
7 relevant to the claim in the case.

8 MR. MULHOLLAND: Let me ask the rest of
9 the questions along this line of this
10 questioning, and then you can object as needed.

11 MR. STONE: I will object as they come up.

12 Q. Is the lease between BRMC and Singh & Nadella
13 still in effect?

14 MR. STONE: Again, I'm going to object to
15 any further questions along this line and
16 instruct him not to answer.

17 (Question certified for later discussion.)

18 Q. While the lease was still in effect, did you
19 and Dr. Singh refer patients to BRMC?

20 MR. STONE: I'm going to object and
21 instruct the witness not to answer.

22 (Question certified for later discussion.)

23 Q. Did you believe the lease between Singh &

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1 Nadella and BRMC to be violation of either the Stark
2 law or the Anti-kickback law?

3 MR. STONE: I am going to object and
4 instruct the witness not to answer.

5 (Question certified for later discussion.)

6 Q. If the answer to that question is no, why not?

7 MR. STONE: I object and instruct him not
8 to answer.

9 (Question certified for later discussion.)

10 Q. Is there currently a dispute between BRMC and
11 Singh & Nadella about monies allegedly owed by BRMC to
12 Singh & Nadella for the lease?

13 MR. STONE: I'm going to object and
14 instruct him not to answer.

15 (Question certified for later discussion.)

16 MR. MULHOLLAND: I don't have any of other
17 questions at this time. Carl?

18 MR. RYCHCIK: Yes, I have questions.

19 - - -

20 EXAMINATION

21 **BY MR. RYCHCIK:**

22 Q. Doctor, my name is Carl Rychcik, and I
23 represent Drs. Vaccaro and Saleh, as well as V&S

1 far as a public point, BRMC has been the only
2 institution that has the local physicians.

3 If the patient needed additional expertise than
4 what I can provide, if they need to a see a
5 cardiologist and so on and so forth, they did go to
6 other places, like Erie and Olean and so on and so
7 forth. They had been going down there, also.

8 But, you know, if the patient is stable enough,
9 we are going to investigate this further locally, and
10 the only option at that time was Bradford Regional
11 Medical Center.

12 Q. So you would say that the majority of your
13 patients who needed nuclear camera testing, you would
14 send them to Bradford?

15 A. I would say Bradford.

16 Q. Did you have any arrangement with Bradford to
17 exclusively refer patients to them?

18 A. Absolutely not.

19 Q. Would the same apply for other types of
20 diagnostic testing, such as CT and MRI?

21 MR. STONE: I'm going to object to any
22 further questioning with regard to Dr.
23 Nadella's or Dr. Singh's arrangements for

1 referring patients.

2 It has nothing to do with this case, and,
3 again, it gets into their business and
4 professional relationships which are not at
5 issue in this case and are not relevant to the
6 case, and the Judge has already ruled that they
7 are not discoverable. I'm going to direct him
8 not to answer.

9 MR. RYCHCIK: He has already answered
10 that, and you waived that objection.

11 MR. STONE: I'm not going to have him
12 answer any more of those questions. I have
13 given you a little bit of leeway, by way of
14 context, but we are not going to go through all
15 of their business relationships.

16 MR. RYCHCIK: Again, we will mark that
17 portion of the transcript to discuss with the
18 Judge.

19 (Question certified for later discussion.)

20 MR. RYCHCIK: I would like this marked as
21 Exhibit No. 12.

22 (Relators' Deposition Exhibit No. 12 was
23 marked for identification.)

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C E R T I F I C A T E

COMMONWEALTH OF PENNSYLVANIA :
 : SS.:
 COUNTY OF ALLEGHENY :

I, Joy A. Hartman, a Notary Public in and for the Commonwealth of Pennsylvania, do hereby certify that before me personally appeared V. RAO NADELLA, M.D., the witness herein, who then was by me first duly cautioned and sworn to testify the truth, the whole truth and nothing but the truth in the taking of his oral deposition in the cause aforesaid; that the testimony then given by him as above set forth was reduced to stenotypy by me, in the presence of said witness, and afterwards transcribed by computer-aided transcription under my direction.

I do further certify that this deposition was taken at the time and place specified in the foregoing caption, and signature was not waived.

I do further certify that I am not a relative of or counsel or attorney for any party hereto, nor am I otherwise interested in the event of this action.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my seal of office at Pittsburgh, Pennsylvania, on this 23rd day of August, 2007.

The foregoing certification does not apply to any reproduction of this transcript in any respect unless under the direct control and/or direction of the certifying reporter.

Commonwealth of Pennsylvania

NOTARIAL SEAL
 JOY A. HARTMAN, Notary Public
 City of Pittsburgh, County of Allegheny
 My Commission expires May 9, 2010

Joy A. Hartman

Joy A. Hartman, Notary Public
 in and for the Commonwealth of
 Pennsylvania

My commission expires May 9, 2010.